

FISCAL NOTE

HB 2862 - SB 3288

March 7, 2008

SUMMARY OF BILL: Enacts the "Public-Private Partnership in Transportation Act of 2008." Authorizes partnerships between state or local government entities and private entities for the construction, improvement or operation of transportation facilities. Establishes the guidelines for such partnerships.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant
Increase State Expenditures – Not Significant

Increase Local Revenue – Not Significant
Increase Local Expenditures – Not Significant

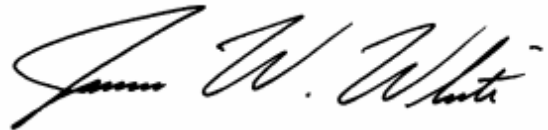
Other Fiscal Impact – If any state or local government entity chooses to enter into such an agreement, and such an agreement involves the construction and operation of a transportation facility, there will be an increase in revenue to the state or local government attributable to the monetary transfer from the constructing entity and a corresponding increase in state or local government expenditures for the construction of such facility. It is assumed that any subsequent increase in revenue from fees generated by the facility will either go directly to the entity or indirectly to such entity as a pass through from the state or local government. Typically any costs for construction will be over a period of up to five years. The time frame for the recovery of the initial investment will typically be a period of up to 30 years. The magnitude of any increase in revenue or expenditures to state and local governments will depend upon the size, scope, and location of the project and the terms of any contractual agreement between the private entity and the state or local government. However, based upon the potential size and scope of such projects, the costs of construction and subsequent revenue generated by the facility can reasonably be estimated to exceed \$10,000,000 and could substantially exceed that amount.

Assumptions:

- Any increase in local government expenditures is permissive.
- Any increase in state expenditures for the Department of Transportation to provide the required oversight and review of plans is estimated to be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.
- Any increase in state or local government expenditures associated with the administrative or legal cost to enter into such agreements is estimated to be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.
- Any increase in state or local government revenues due to application fee revenue is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/cce